

**United States Bankruptcy Court
Middle District of North Carolina**

IN RE:

Case No.

Clarence Lyon

Debtor(s)

Chapter 13 10-82188

233 Shalimar Dr.
Durham, NC 27713

NOTICE TO CREDITORS AND PROPOSED PLAN

The Debtor(s) filed for relief under Chapter 13 of the United States Bankruptcy Code on December 1, 2010.

The filing automatically stays collection and other actions against the Debtor, Debtor's property and certain co-debtors. If you attempt to collect a debt or take other action in violation of the bankruptcy stay, you may be penalized.

Official notice will be sent to creditors, which will provide the name and address of the Trustee, the date and time of the meeting of creditors, and the deadline for objecting to the plan. The official notice will include a proof of claim form.

A creditor must timely file a proof of claim with the Trustee in order to receive distributions under the plan. The Trustee will mail payments to the address provided on the proof of claim unless the creditor provides another address in writing for payments. If the claim is subsequently assigned or transferred, the Trustee will continue to remit payment to the original creditor until a formal notice of assignment or transfer is filed with the Court.

Amended Chapter 13 Plan

The Debtors propose an initial plan, which is subject to modification, as follows:

I. Plan Payments

The plan proposes a payment of \$3500.00 for 55 months. The Debtor shall commence payments to the Trustee within thirty (30) days from the date the petition was filed.

II. Administrative Costs

1. Attorney fees.

The Attorney for the Debtor will be paid the base fee of \$3,000.00. The Attorney has received \$500.00 from the Debtor pre-petition and the remainder of the base fee will be paid monthly by the Trustee as funds are available, after scheduled monthly payments to holders of domestic support obligations and allowed secured claims.

2. Trustee costs. The Trustee will receive from all disbursements such amount as approved by the Court for payment of fees and expenses.

III. Priority Claims

The Durham County Tax Office has a priority claim in the amount of \$1,000.00

1. Domestic Support Obligations ("DSO")

Debtors have no domestic support obligations.

IV. Secured Claims

1. Real Property Secured Claims

a. All payments on any claim secured by real property will be paid by the Trustee unless the account is current, in which case the Debtor may elect to continue making mortgage payments directly. Arrearage claims will be paid by the Trustee as separate secured claims over the term of the plan, without interest.

Creditor	Property Address	Residence or Non-Residence R/NR	Current Y/N	Monthly Payment	Arrearage Amount	If Current Indicate Payment by Debtor (D) or Trustee (T)<~ltd>
Litton Loan Servicing	233 Shalimar Dr., Durham, NC	R	Y	3400.00	0	T
BB and T	6111 Barbee Rd., Durham, NC	NR	N	2200.00	6000.00	D (via the co-debtor, Believers House of Prayer)

2. Personal Property Secured Claims

Creditor	Property Address/description	Residence or Non-Residence R/NR	Current Y/N	Monthly Payment	Arrearage Amount	If Current Indicate Payment by Debtor (D) or Trustee (T)<~ltd>
Ally Financial	2009 Cadillac	NR	Y	300.00	0	T

To the extent that the valuation provisions of 11 U.S.C. § 506 do not apply to any of the claims listed above, the creditor's failure to object to confirmation of the proposed plan shall constitute the creditor's acceptance of the treatment of its claim as proposed, pursuant to 11 U.S.C. § 1325(a)(5)(A).

3. Collateral to be Released

The Debtor proposes to release no collateral.

4. Liens to be Avoided

The Debtor has no liens to avoid.

V. Co-Debtor Claims

Believers House of Prayer is a co-debtor on the property located at 6111 Barbee Rd., Durham, NC. Debtor serves as the pastor of this church. Debtor proposes that Believers House of Prayer is allowed to pay the mortgage and arrears directly to the Creditor.

VI. General Unsecured Claims Not Separately Classified

General unsecured claims will be paid on a pro-rata basis, with payments to commence after priority unsecured claims are paid in full. The estimated dividend to general unsecured claims is 0%.

VII. Executory Contracts/Leases

Debtors have no executory contracts or leases.

Date: 12/10/10

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